

SAN JOAQUIN COUNTY ECONOMIC FORECAST

San Joaquin County is the northernmost county of the San Joaquin Valley. The county's central location in California makes it a hot spot for business activity because it connects the San Joaquin Valley, Bay Area, and Sacramento Valley. San Joaquin County has a population of 694,300 people and over 214,700 wage and salary jobs. The per capita income in San Joaquin County is \$29,659, and the average salary per worker is \$44,378.

Employment in Northern California contracted during 2009, consistent with the rest of the state and nation. In 2009, 6,300 total wage and salary jobs were lost in San Joaquin County, representing a growth rate of negative 2.8 percent. Non-farm employment also fell at a rate of negative 2.8 percent. The annual unemployment rate increased to 16.3 percent in 2009 from 10.4 percent in 2008.

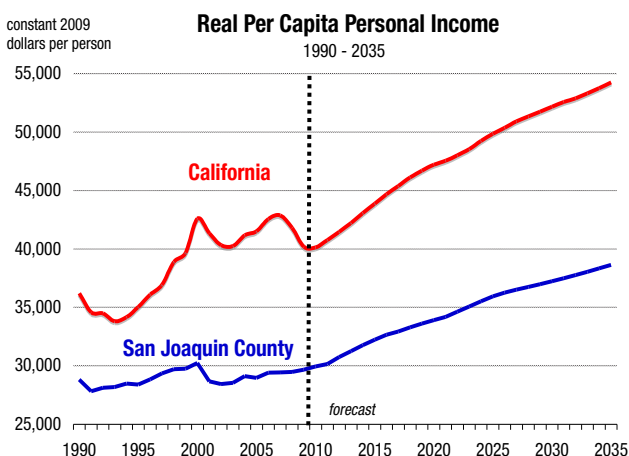
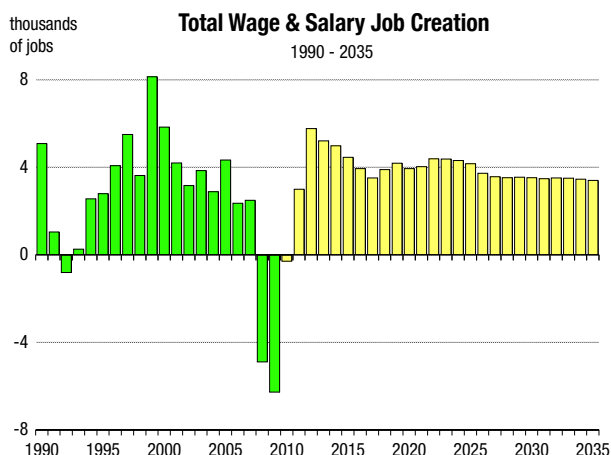
All sectors lost jobs in San Joaquin County during 2009. Employment losses were greatest in construction (1,900 jobs), retail trade (1,300 jobs), leisure (580 jobs), and financial activities (460 jobs). New home production has declined 90 percent since the peak in 2004.

From January 2008 to January 2009, population growth was 1.0 percent in San Joaquin County, compared to 1.1 percent for the entire state. The largest city in the county, Stockton, grew 0.7 percent. Communities in the western half of San Joaquin County are growing due to an influx of people that commute to the East Bay or Santa Clara County for work, but cannot afford the expensive housing in those areas.

Over the long term, both population and employment in the county will grow at a rate exceeding the state average.

FORECAST HIGHLIGHTS

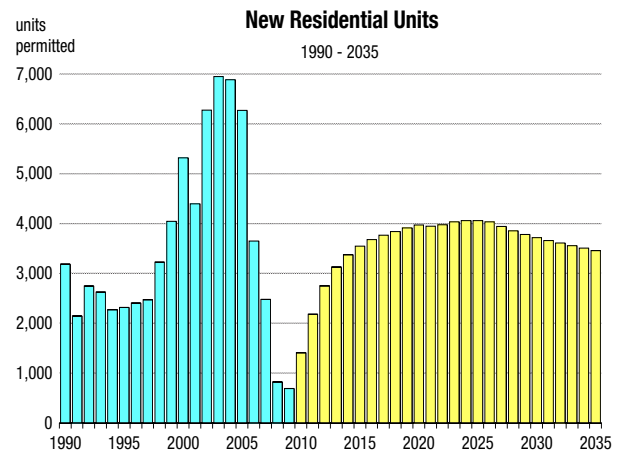
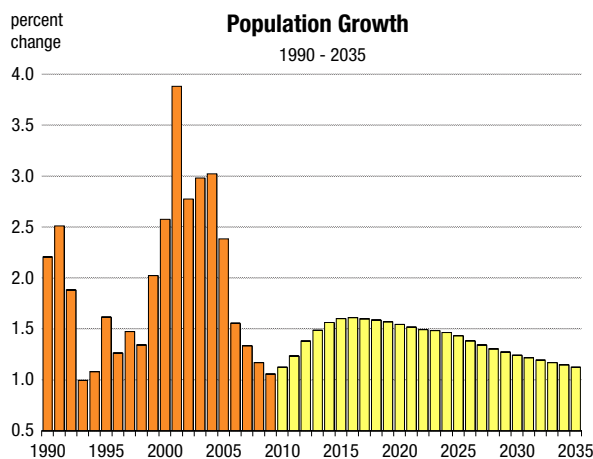
- Total wage and salary job growth is forecast to be near zero in 2010, contracting by an estimated 0.1 percent. This is due mostly to continued declines in the construction and government sectors. From 2010 to 2015, total job growth averages 2.1 percent per year and non-farm job growth averages 2.2 percent per year.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the forecast. Average salaries adjusted for inflation are forecast to rise an average of 0.7 percent per year between 2010 and 2015.
- Between 2010 and 2015, the principle job creation occurs in professional services, wholesale and retail trade, healthcare and education, and construction. Each of these sectors expands by over 10 percent, and creates over 3,000 jobs. All labor market sectors are forecast to create jobs over the next 5 years.
- Annual population growth in the 2010 to 2015 period averages 1.5 percent per year.
- Net migration increases over the next 5 years before gradually leveling off. From 2010 to 2015 net migration is expected to average 3,600 people per year.
- Real per capita incomes are forecast to rise 0.9 percent in 2010. During the 2010 to 2015 period real per capita incomes are forecast to increase 1.5 percent per year.
- Total taxable sales adjusted for inflation are expected to increase by an average of 5.7 percent per year between 2010 and 2015.
- Industrial production is expected to increase moderately in 2010, expanding by 1.7 percent. From 2010 to 2015 the growth rate of industrial production will average 2.6 percent per year.
- Farm production is forecast to increase by 0.4 percent per year between 2010 and 2015. The principal crop in the county is dairy products.



San Joaquin County Economic Forecast

2002-2009 History, 2010-2035 Forecast

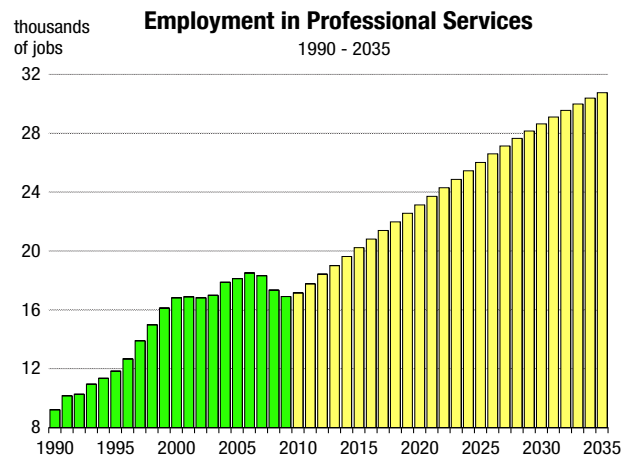
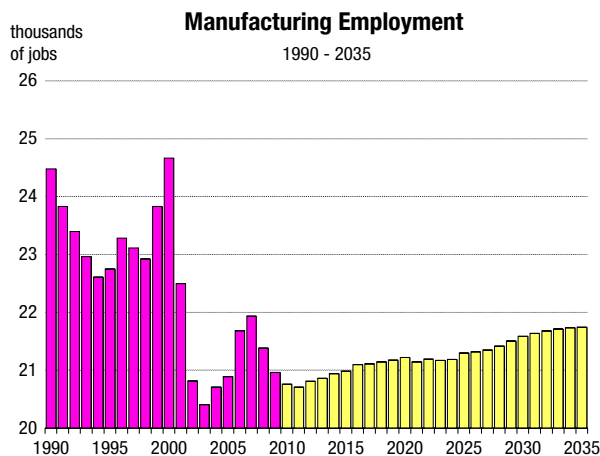
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2002	607,487	10,772	509	190	6,280	\$7.3	\$14.9	\$28,425	1.6	1.58	3.87	8.9
2003	625,600	12,575	516	193	6,952	\$7.8	\$15.6	\$28,550	1.8	1.71	4.13	9.2
2004	644,513	12,690	559	199	6,886	\$8.7	\$16.6	\$29,117	1.2	1.83	4.36	8.8
2005	659,885	8,798	568	205	6,272	\$9.7	\$17.3	\$28,960	2.0	1.93	4.52	7.9
2006	670,159	3,406	576	211	3,650	\$9.6	\$18.4	\$29,402	3.2	1.81	4.97	7.4
2007	679,107	2,050	570	215	2,479	\$9.4	\$19.3	\$29,435	3.4	2.09	5.07	8.1
2008	687,044	1,165	567	219	824	\$8.9	\$20.1	\$29,463	3.0	2.15	5.18	10.4
2009	694,310	559	559	220	691	\$8.6	\$20.6	\$29,659	0.8	2.07	5.29	16.3
2010	702,110	1,580	559	222	1,412	\$8.5	\$21.5	\$29,931	2.1	2.07	5.38	16.3
2011	710,782	2,434	560	223	2,184	\$9.0	\$22.4	\$30,157	2.4	2.10	5.46	14.5
2012	720,590	3,428	565	225	2,752	\$9.9	\$23.7	\$30,745	2.1	2.11	5.63	12.0
2013	731,300	4,188	572	228	3,128	\$10.8	\$25.0	\$31,264	2.2	2.12	5.78	10.7
2014	742,739	4,799	581	231	3,379	\$11.6	\$26.4	\$31,770	2.2	2.13	5.94	9.6
2015	754,631	5,230	591	235	3,551	\$12.5	\$27.8	\$32,232	2.2	2.11	6.11	8.9
2016	766,784	5,495	602	238	3,679	\$13.2	\$29.2	\$32,658	2.2	2.13	6.28	8.5
2017	779,048	5,617	612	242	3,766	\$14.0	\$30.6	\$32,938	2.2	2.12	6.46	8.3
2018	791,407	5,697	623	246	3,844	\$14.7	\$32.1	\$33,296	2.2	2.12	6.65	8.1
2019	803,842	5,729	633	250	3,916	\$15.5	\$33.6	\$33,609	2.2	2.13	6.87	7.7
2020	816,252	5,688	645	254	3,974	\$16.2	\$35.2	\$33,895	2.1	2.10	7.12	7.6
2021	828,633	5,665	656	258	3,951	\$17.0	\$36.9	\$34,187	2.5	2.08	7.34	7.4
2022	841,012	5,655	667	262	3,979	\$17.9	\$38.9	\$34,634	2.6	2.11	7.56	7.2
2023	853,495	5,678	679	266	4,038	\$18.9	\$41.0	\$35,071	2.5	2.13	7.77	7.0
2024	865,991	5,698	691	270	4,062	\$19.9	\$43.2	\$35,516	2.4	2.16	8.01	6.8
2025	878,398	5,676	703	274	4,060	\$20.9	\$45.4	\$35,947	2.5	2.19	8.29	6.7
2026	890,540	5,617	715	278	4,037	\$21.9	\$47.6	\$36,254	2.5	2.20	8.57	6.7
2027	902,491	5,562	726	282	3,945	\$22.9	\$49.8	\$36,509	2.6	2.21	8.87	6.7
2028	914,267	5,505	737	286	3,858	\$23.9	\$52.2	\$36,741	2.8	2.22	9.18	6.6
2029	925,905	5,439	748	290	3,785	\$24.9	\$54.7	\$36,980	2.7	2.24	9.51	6.5
2030	937,402	5,342	759	294	3,720	\$26.0	\$57.2	\$37,233	2.7	2.22	9.85	6.4
2031	948,814	5,227	770	298	3,663	\$27.1	\$59.9	\$37,492	2.7	2.20	10.20	6.3
2032	960,130	5,111	780	301	3,610	\$28.3	\$62.7	\$37,763	2.7	2.24	10.55	6.3
2033	971,367	4,992	791	305	3,561	\$29.5	\$65.6	\$38,042	2.7	2.28	10.91	6.3
2034	982,517	4,871	801	309	3,512	\$30.8	\$68.6	\$38,330	2.7	2.32	11.28	6.3
2035	993,572	4,749	811	312	3,463	\$32.2	\$71.8	\$38,626	2.7	2.32	11.65	6.4

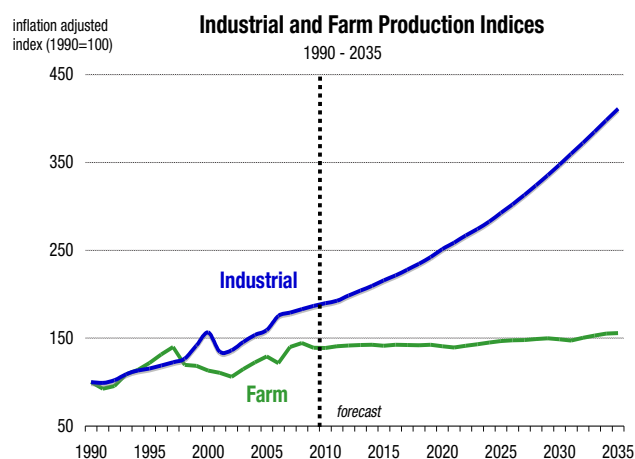
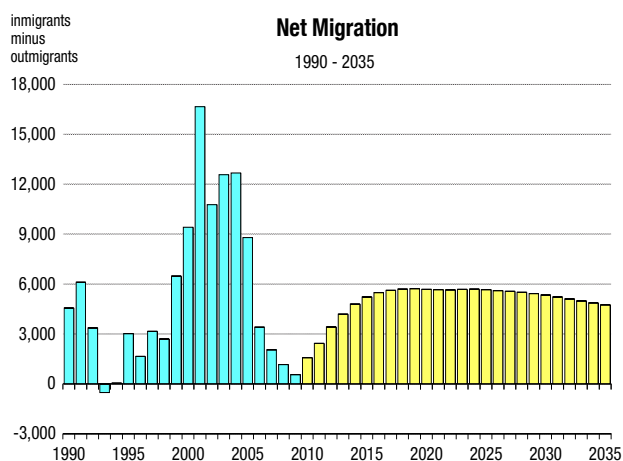
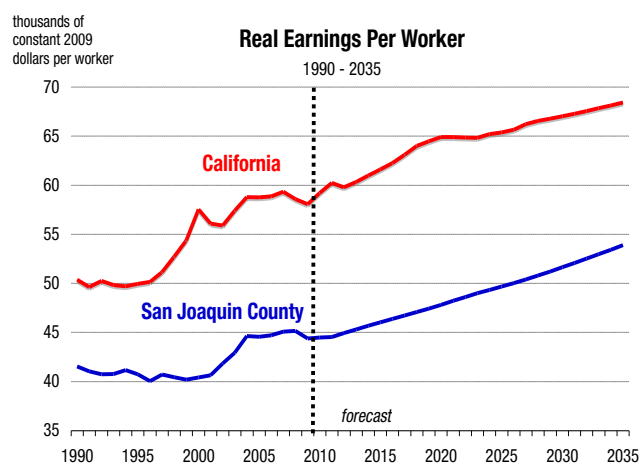
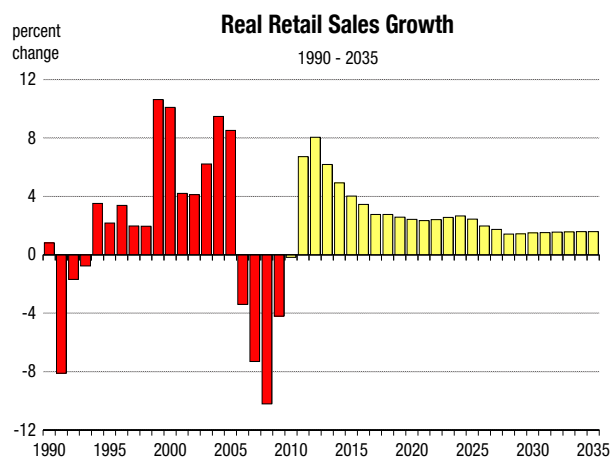


San Joaquin County Employment Forecast

2002-2009 History, 2010-2035 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2002	210.0	15.9	13.5	20.8	12.7	32.0	9.4	16.8	3.1	23.2	15.9	40.1
2003	213.8	16.6	14.4	20.4	13.4	33.1	9.9	17.0	2.9	23.9	16.4	39.5
2004	216.7	16.0	15.3	20.7	13.3	34.0	9.6	17.9	2.8	24.4	16.8	39.4
2005	221.0	15.2	16.7	20.9	13.0	36.0	9.8	18.1	2.6	25.6	17.1	39.6
2006	223.4	14.3	15.9	21.7	13.5	37.0	9.9	18.5	2.5	26.1	17.3	39.6
2007	225.9	14.5	13.8	21.9	13.9	37.5	9.9	18.3	2.5	27.7	17.8	40.3
2008	221.0	14.9	11.4	21.4	14.3	36.1	9.3	17.4	2.3	28.5	17.5	40.3
2009	214.7	14.5	9.5	21.0	14.2	34.5	8.9	16.9	2.1	28.4	16.9	40.1
2010	214.5	14.5	9.2	20.8	14.6	34.7	8.8	17.2	2.1	28.5	17.0	39.4
2011	217.5	14.6	10.1	20.7	14.9	35.6	8.8	17.8	2.1	29.1	17.2	38.7
2012	223.2	14.6	11.7	20.8	15.2	36.9	8.9	18.4	2.2	29.7	17.4	39.3
2013	228.4	14.7	13.2	20.9	15.5	38.1	9.0	19.0	2.2	30.3	17.7	40.0
2014	233.4	14.7	14.4	20.9	15.8	39.2	9.0	19.6	2.2	30.8	17.9	40.5
2015	237.9	14.7	15.2	21.0	16.2	40.3	9.1	20.2	2.3	31.4	18.2	41.0
2016	241.8	14.7	15.6	21.1	16.6	41.3	9.1	20.8	2.3	32.0	18.5	41.3
2017	245.4	14.7	15.9	21.1	17.0	42.1	9.2	21.4	2.4	32.5	18.8	41.7
2018	249.3	14.6	16.2	21.1	17.4	43.0	9.2	22.0	2.4	33.1	19.1	42.3
2019	253.4	14.5	16.6	21.2	17.9	43.9	9.2	22.6	2.4	33.8	19.3	43.1
2020	257.4	14.5	16.9	21.2	18.3	44.7	9.2	23.1	2.5	34.5	19.6	43.8
2021	261.4	14.4	17.1	21.1	18.8	45.5	9.2	23.7	2.5	35.5	19.9	44.5
2022	265.8	14.4	17.3	21.2	19.2	46.4	9.3	24.3	2.5	36.5	20.1	45.1
2023	270.2	14.5	17.6	21.2	19.7	47.3	9.3	24.9	2.5	37.6	20.4	45.7
2024	274.5	14.5	17.7	21.2	20.1	48.2	9.4	25.5	2.5	38.5	20.6	46.3
2025	278.7	14.6	17.8	21.3	20.6	49.1	9.5	26.0	2.6	39.4	20.9	46.9
2026	282.4	14.6	17.8	21.3	21.0	49.8	9.6	26.6	2.6	40.2	21.1	47.4
2027	286.0	14.6	17.8	21.3	21.4	50.6	9.7	27.1	2.7	41.0	21.3	47.9
2028	289.5	14.7	17.7	21.4	21.9	51.2	9.8	27.7	2.7	41.7	21.6	48.5
2029	293.1	14.7	17.7	21.5	22.3	51.8	9.9	28.2	2.7	42.5	21.8	49.0
2030	296.6	14.7	17.7	21.6	22.7	52.5	10.0	28.7	2.8	43.3	22.1	49.6
2031	300.1	14.7	17.6	21.6	23.1	53.1	10.1	29.1	2.8	44.1	22.3	50.1
2032	303.6	14.7	17.6	21.7	23.5	53.7	10.2	29.6	2.8	44.9	22.5	50.7
2033	307.1	14.8	17.5	21.7	23.9	54.4	10.3	30.0	2.9	45.7	22.8	51.2
2034	310.6	14.8	17.4	21.7	24.3	55.0	10.4	30.4	2.9	46.6	23.0	51.8
2035	314.0	14.9	17.3	21.7	24.6	55.7	10.5	30.8	3.0	47.4	23.3	52.4





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	33.7 %
Expected job growth:	10.9 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	15.7 %

Expected population growth:	7.5 %
Net migration to account for:	38.2 %
Expected growth in number of vehicles:	5.9 %

Demographics (2009)

Unemployment rate (December):	17.1 %
County Rank* in California (58 counties):	45th
Working age (16-64) population:	61.1 %

Population with B.A. Degree or higher:	15.2 %
Median Home Selling Price:	\$202,695
Median Household Income:	\$52,749

Quality of Life

Violent Crime rate (2008):	902 per 100,000 persons
County Rank* in California (58 counties):	56th
Average Commute Time to work (2009):	31.9 minutes

High School drop out rate (2008):	20.4 %
Households at/below poverty line:	12.7 %

* The county ranked 1st corresponds to the lowest rate in California